

RESOLUTION NO. 74280

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A SPECIALIZED AERONAUTICAL SERVICES OPERATION MANAGEMENT AGREEMENT WITH ATLANTIC AVIATION FOR A FIVE-YEAR TERM WITH THE OPTION TO EXTEND THE AGREEMENT FOR UP TO THREE ADDITIONAL ONE-YEAR PERIODS WITH A MINIMUM ANNUAL RENT GUARANTEE TO THE CITY OF \$24,750 PER MONTH OR 85% OF ANNUAL GROSS REVENUE, WHICHEVER IS HIGHER

WHEREAS, at the June 4, 2007 Airport Commission meeting, the Norman Y. Mineta San Jose International Airport ("Airport") announced its intention to pursue a Request for Proposal ("RFP") for the management of the City operated General Aviation ("GA") facilities on the Airport's west side; and

WHEREAS, agreements for the management of general aviation facilities are commonly referred to as "Specialized Aeronautical Services Operation ("SASO") Management Agreements"; and

WHEREAS, The City's primary objective for this Management Agreement is to transfer management responsibility for the existing City operated tie-downs and hangars to a private operator who will, in addition to managing the hangars and tie-downs, increase the services offered to the GA tenants leasing those hangars and tie-downs; and

WHEREAS, the Evaluation Committee unanimously concluded that Atlantic Aviation's proposal most closely aligned itself with the goals outlined in the SASO RFP documents;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The City Manager is authorized to negotiate and execute a Specialized Aeronautical Services Operation Management Agreement with Atlantic Aviation for the management of City operated General Aviation facilities on the west side of the Norman Y. Mineta San Jose International Airport for a five-year term from the date of execution, with the option to extend the Agreement for up to three additional one-year periods at the City's sole discretion, and with a minimum annual rent guarantee to the City of \$24,750 per month or 85% of annual gross revenue, whichever is higher.

ADOPTED this 11th day of MARCH, 2008, by the following vote:

AYES:	CAMPOS, CHIRCO, CHU, CONSTANT, CORTESE, LICCARDO, NGUYEN, OLIVERIO, PYLE, WILLIAMS, REED
NOES:	NONE

ABSENT:	NONE
---------	------

DISQUALIFIED:	NONE
---------------	------

CHUCK REED
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk